



U.S. Department of Housing and Urban  
Development

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[www.hud.gov/arizona.html](http://www.hud.gov/arizona.html)

Bill Murphy  
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DK  
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Honorable W.J. "Jim" Lane  
Mayor City of Scottsdale  
3939 N. Drinkwater Boulevard  
Scottsdale, AZ 85251

JAN 20 2011

Dear Mayor Lane:

SUBJECT: City of Scottsdale, Arizona  
Annual Community Assessment  
Program Year 2009 (July 1, 2009 through June 30, 2010)

The Office of Community Planning and Development has completed its annual review of Scottsdale's Consolidated Annual Performance and Evaluation Report (CAPER) for program year (PY) 2009. This review is done to evaluate the management of funds made available under programs administered by HUD and compliance with the City's 2005-2009 Consolidated Plan. It also allowed us an opportunity to observe the City's progress in meeting the goals of its Consolidated Plan and the extent to which it is preserving and developing decent, safe, affordable housing, creating a suitable living environment, and expanding economic opportunities for low and moderate-income people

The City of Scottsdale is the recipient of HUD's Community Development Block Grant (CDBG) entitlement program. The City was awarded \$1,152,250 in CDBG funds for PY 2009, had a carryover of \$744,328 from the prior year and \$40,012 for a total of \$1,936,590. The City expended \$951,954 in CDBG funds during PY, which left an unexpended balance of \$984,636. Even though the City had a year-end balance, it complied with HUD's timelessness requirement. In addition, the City also received \$341,128 in HOME funds from the Maricopa HOME Consortium's allocation in PY 2009.

Our review of Scottsdale's CAPER, shows that the City has complied with eligibility and national objective requirements of the CDBG program. All of Scottsdale's funded activities principally benefited low-and moderate-income residents. The City's activities were also consistent with its goals and objectives identified in its 2005-2009 Consolidated Plan and PY 2009 Annual Action Plan.

The activities undertaken to address the City's priority needs are described in Scottsdale's five-year Consolidated Plan for the period 2005 – 2009. Staff continues to demonstrate their ability to implement the City's CDBG program in accordance with federal requirements. Our review of the Consolidated Annual Performance and

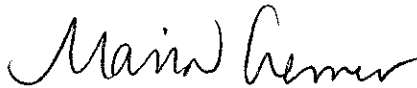
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CITY OF SCOTTSDALE  
COMMUNITY ASSISTANCE OFFICE

Evaluation Report (CAPER) and other available information, confirms that the City has the continuing capacity to administer its CDBG program.

As we transitioned into the 2010-2011 program year, new challenges were presented that require the utmost attention by City officials and staff. The significant rise in home foreclosures, a rising budget deficit, the failure of many of our lending institutions and the resultant strain on our economy have been testing our resolve in this new year. New strategies and strong alliances will be needed to address the use of the City's existing entitlement funds as well as new Federal funding resources that are currently being readied for this effort. We appreciate and are very encouraged by the actions taken by City staff these past few months to coordinate the utilization and implementation of the new Federal Neighborhood Stabilization Program and the American Recovery and Reinvestment Act funds. We are available should you require our assistance and look forward to continuing our partnership with the City of Scottsdale.

Finally, we thank Scottsdale for maintaining its partnership with HUD, a partnership that continues to produce meaningful housing and community development results. If you have any questions, please do not hesitate to contact me, or your Community Planning and Development Representative, David Uhler, at (602) 379-7174.

Sincerely,

A handwritten signature in black ink, appearing to read "Maria Cremer".

Maria Cremer  
Acting Director, Community Planning  
and Development Division

cc: David Richert  
Acting City Manager